

Palmetto Utilities, Inc.
Docket No. 2017-228-S
Operating Experience & Operating Margin
For the Test Year Ended March 31, 2017
Wastewater Operations

<u>Description</u>	(1) Application Per Books \$	(2) Accounting & Pro Forma Adjustments \$	(3) After Accounting & Pro Forma Adjustments \$	(4) Proposed Increase \$	(5) After Proposed Increase \$
<u>Utility Operating Revenues:</u>					
Wastewater Sales Revenues	14,874,059	184,101 (1)	15,058,160	11,138,505 (10)	26,196,665
Other Wastewater Revenues	1,382,353	0 (2)	1,382,353	(431,038) (11)	951,315
<u>Total Utility Operating Revenues</u>	<u>16,256,412</u>	<u>184,101</u>	<u>16,440,513</u>	<u>10,707,467</u>	<u>27,147,980</u>
<u>Utility Operating Expenses:</u>					
Operating Expenses	5,913,958	1,944,218 (3)	7,858,176	267,687 (12)	8,125,863
Depreciation and Amortization	1,637,601	1,580,752 (4)	3,218,353	0	3,218,353
Taxes Other Than Income Taxes	534,626	2,520,612 (5)	3,055,238	56,125 (13)	3,111,363
Income Taxes	2,918,256	(2,786,225) (6)	132,031	2,590,722 (14)	2,722,753
<u>Total Utility Operating Expenses</u>	<u>11,004,441</u>	<u>3,259,357</u>	<u>14,263,798</u>	<u>2,914,534</u>	<u>17,178,332</u>
<u>Total Net Utility Operating Income (Loss)</u>	<u>5,251,971</u>	<u>(3,075,256)</u>	<u>2,176,715</u>	<u>7,792,933</u>	<u>9,969,648</u>
Other Income and Deductions	(1,272,663)	1,272,663 (7)	0	0	0
Less: Interest Expense	2,145,274	(365,711) (8)	1,779,563	0	1,779,563
Add: Customer Growth	0	41,388 (9)	41,388	148,175 (15)	189,563
<u>Net Income for Margin</u>	<u>4,379,360</u>	<u>(3,940,820)</u>	<u>438,540</u>	<u>7,941,108</u>	<u>8,379,648</u>
<u>Operating Margin</u>	<u>26.94%</u>		<u>2.67%</u>		<u>30.87%</u>